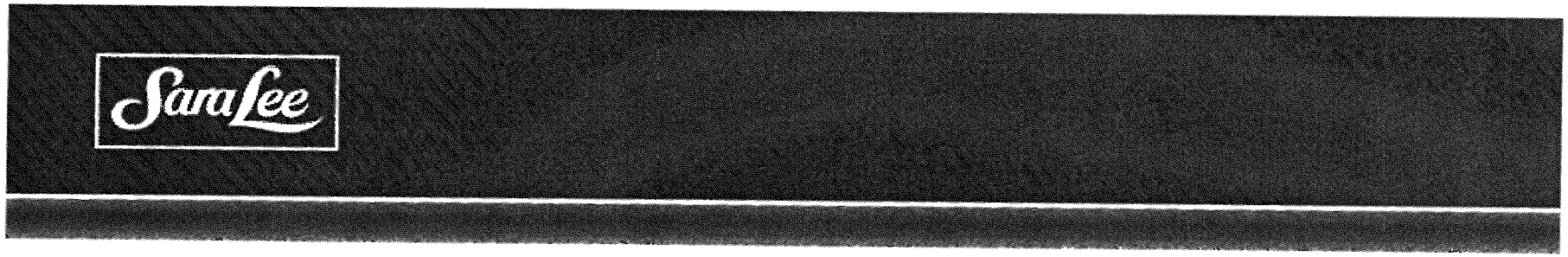
Exhibit 20

Kroger Fresh Bakery Category Communication Priorities

September 17, 2008

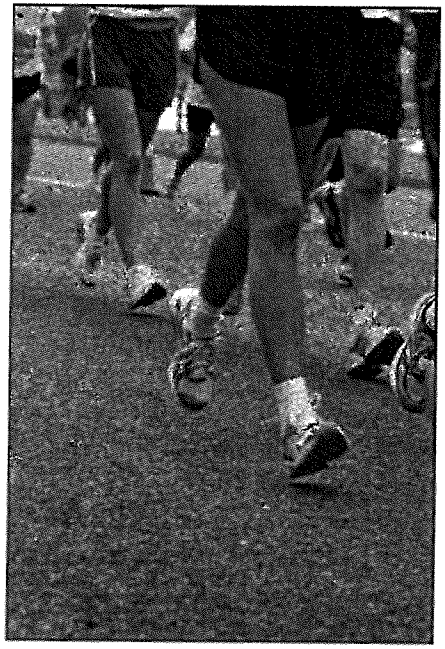


Objective

- **Provide Kroger with insights and implications for communication element of the Fresh Bakery merchandising concept**
  - Consumer insights to inspire the overall communication platform/concept
  - Communication priorities by Fresh Bakery segment
  - Ideas on how to bring the comprehensive concept to life…beyond the aisle

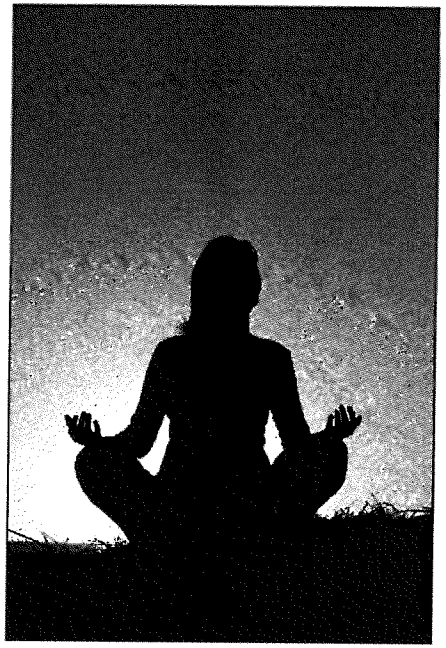
Consumers' health considerations have evolved over time

1970s:
Seeking Fitness



1980s & 90s:
Seeking Absence of Disease

Today:
Seeking Wellness and Feeling Good



It's not just about the food we eat or the exercise we do.
It's about ***Living Well & Enjoying Life***

3 Source: HealthFocus International, 2006.

Consumers seek information for maintaining a healthy diet...but, simplified communication is essential

67%

Two-thirds of consumers are interested in learning more about health and food...

45%

But nearly half of all consumers find the information available to them to be confusing and conflicting

60%

The primary reason consumers say they are monitoring their diet is for overall health ... just 1/3 do so for Weight Control purposes, and a smaller percentage are addressing specific health conditions

90%

More than 90% of consumers currently consume or are interested in foods that help them maintain overall health and wellness.

+++

Store-wide sales growth for products with specific wellness claims:

- Whole Grain +8% to $10.3 Billion
- Fiber +15% to $3.3 Billion
- Multi-Grain +13 to $2.0 Billion
- Natural +12% to 21.3 Billion

4 Source: IFIC Foundation Food & Health Survey 2008; BASES consumer survey 2006

Sara Lee

Shoppers want it all…nutrition, freshness, taste and price

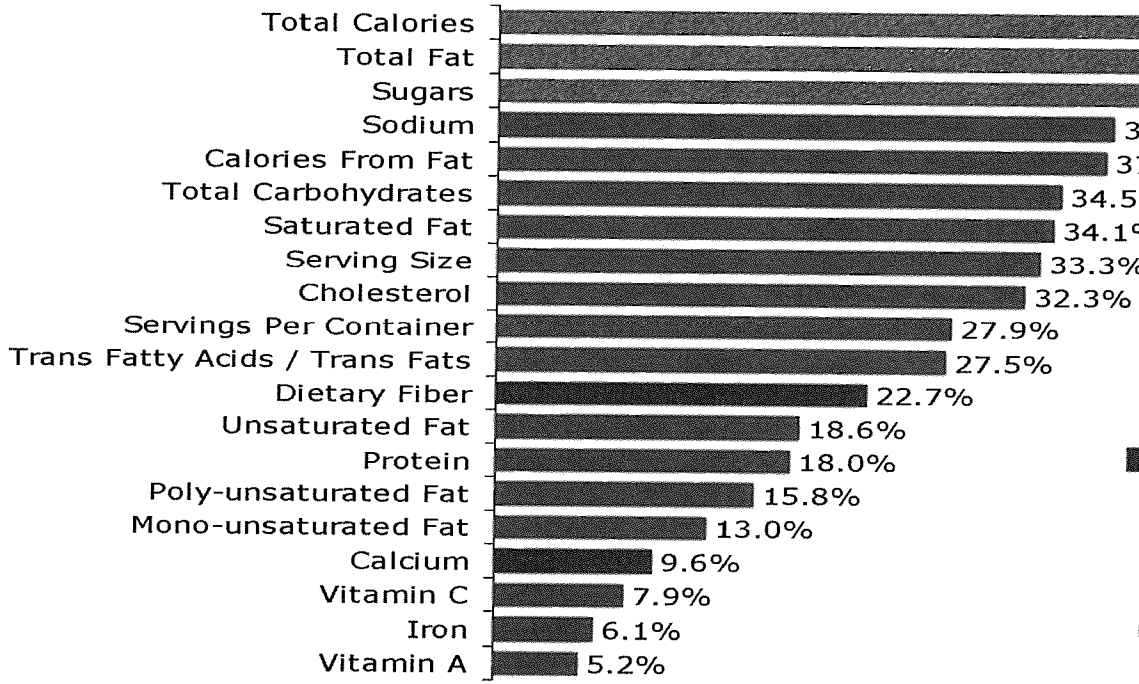
More	The top 3 ingredients across all food categories that consumers want to eat more of are Whole Grains (64%), Dietary Fiber (64%) and Calcium (58%)
Less	Conversely, the primary foods that shoppers want to cut down or avoid consumption of include Fat (80%), Cholesterol (73%) and Sugar (73%)
How	The leading cues shoppers use to determine healthfulness: Fresh (45%), Low Fat (21%), Natural (20%), Low Calorie (18%)
What	Taste and price are still the top two factors influencing purchase decisions – wellness-oriented products must deliver on taste

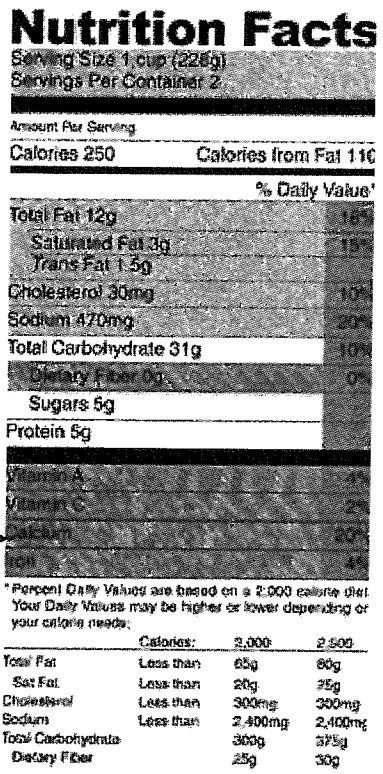
5 Source: IFIC Foundation Food & Health Survey 2008; BASES consumer survey 2006

Sara Lee

Shoppers are missing the nutrition facts of the items they are trying to eat more often (dietary fiber, calcium)

What do you usually look for on the "Nutrition Facts" label?
Percent of Adults Agreeing





Clear opportunity to help consumers understand how to read a product's nutrition facts label

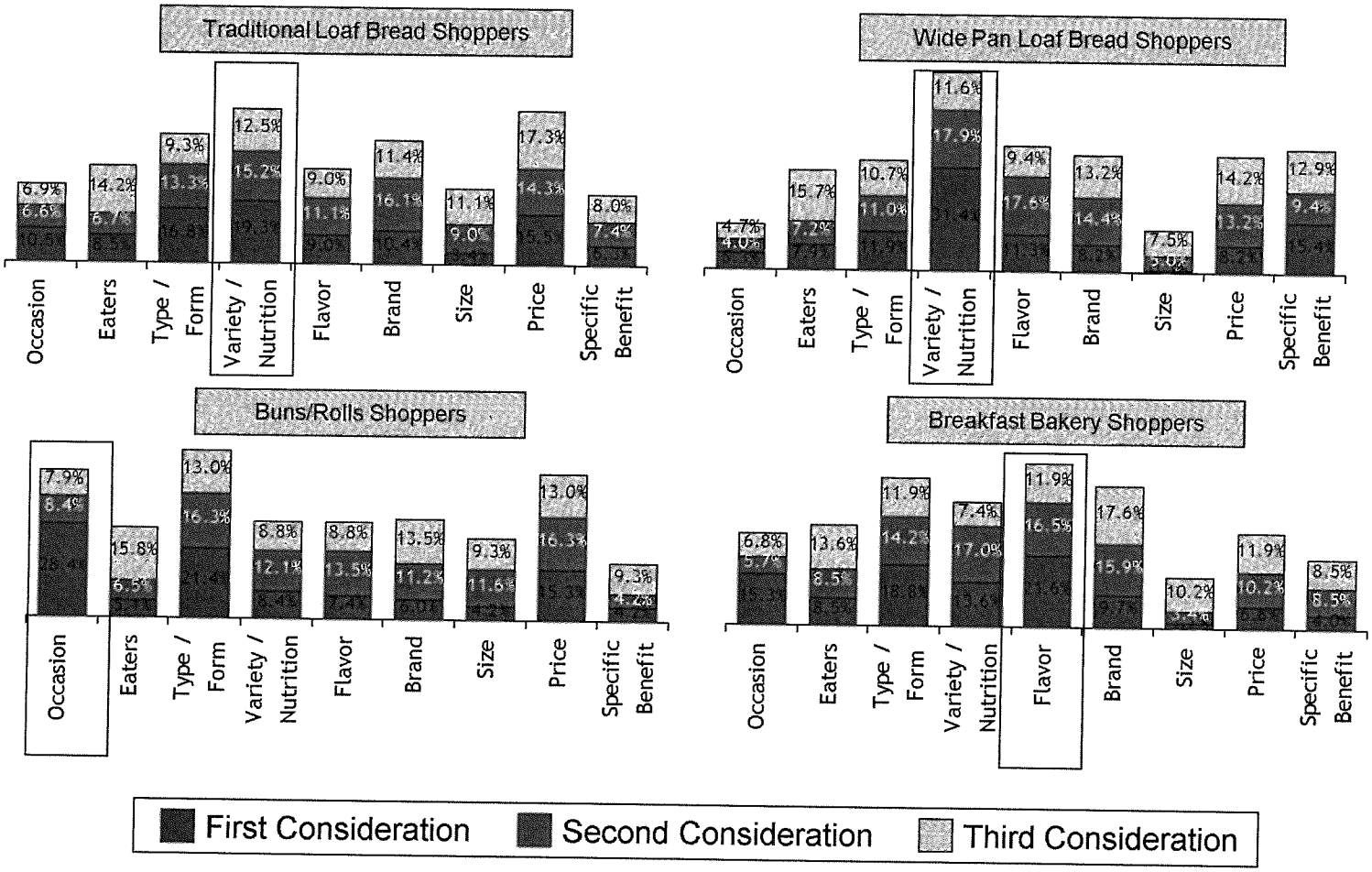
- Likely true for whole grain content as well

6 Source: NPD Diet Monitor, 2006

In the bakery category, shoppers in different segments have unique decision criteria

Fresh Bakery Shopper Decision Factors - % of Shoppers Responding

("What was your first consideration when purchasing this product today? Second? Third?")



7 Source: Sara Lee In-Store Consumer Research, 2006.

Fiber and whole grain content are the most important nutritional values for pre-sliced bread purchasers

What would you say are the two most important nutritional values that you look for when shopping for pre-sliced bread?

Most important decision criteria for loaf breads

	Total
Base: Total who look at the nutritional information on the package	(237) A %
Fiber/High fiber content	**30**
100% Whole grain/Whole grain/Grain/stone ground whole wheat	**27**
Fat/Low fat	**22**
Calories	**21**
Carbohydrates/Starch	**15**
Whole wheat/Wheat	**12**
Sugar content	**11**
Vitamins	**8**

Source: TNS Bakery Labeling study June 2008
Question 8c: What would you say are the two most important nutritional values that you look for when shopping for pre-sliced bread? (Open-end)
Uppercase letters indicate significance at a 95% Confidence Level, lowercase at a 90% Confidence Level; columns tested DE

Bakery shoppers are confused about bakery product nutrition facts

Conflicting nutrition information has confused the majority on what to look for and where!

- 7 out of 10 moms surveyed incorrectly identified their bread as 100% whole wheat when it actually had a similar nutritional make-up of traditional white bread
- More than half of consumers surveyed who eat enriched wheat bread falsely believed their bread was the best nutritionally
- 25% of all respondents determine the nutritional value of a bread by its color

Whole grain foods can't always be identified by color or name. 'Whole' grain must be listed first on the ingredient list such as whole wheat

  - Some products call out whole grain gram content

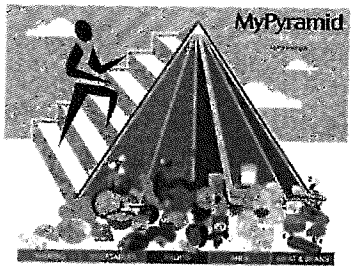
Consumers need education on key ingredient daily requirements and where to find the ingredient content on the nutritional label

9 Source: Sara Lee PR study

Dietary Guidelines for Key Bakery Product Ingredients

- **Whole grains have a prominent role in the food pyramid. Eat at least 3 servings of whole grains a day**
  - Serving = 1oz = 16g whole grains
  - 1 slice of 100% Whole Wheat bread = about 1 serving of whole grains
- **Dietary fiber is a healthy carbohydrate that can reduce the risk of heart disease and improve digestive functioning**
- **Folic acid (found in white bread made with enriched flour) reduces the risk of neural tube defects,spina bifida, and anencephaly during fetal development**
  - Women of childbearing age and those in the first trimester of pregnancy should consume adequate folic acid from (a survey found that only 12% of women knew to take folic acid prior to pregnancy)

Ingredient	Recommended Daily Value (RDV)
Whole Grains	48 grams
Dietary Fiber	25 grams
Folic Acid	400 micrograms



Source: http://www.mypyramid.gov/pyramid/grains_why_print.htm; Grains Council.

In addition to nutrition, the unique characteristics of theFresh Bakery category fit into consumers' need to 'Living Well & Enjoying Life'

- **Key category characteristics:**

Variety (flavors, types, choices!)

Options for every meal!

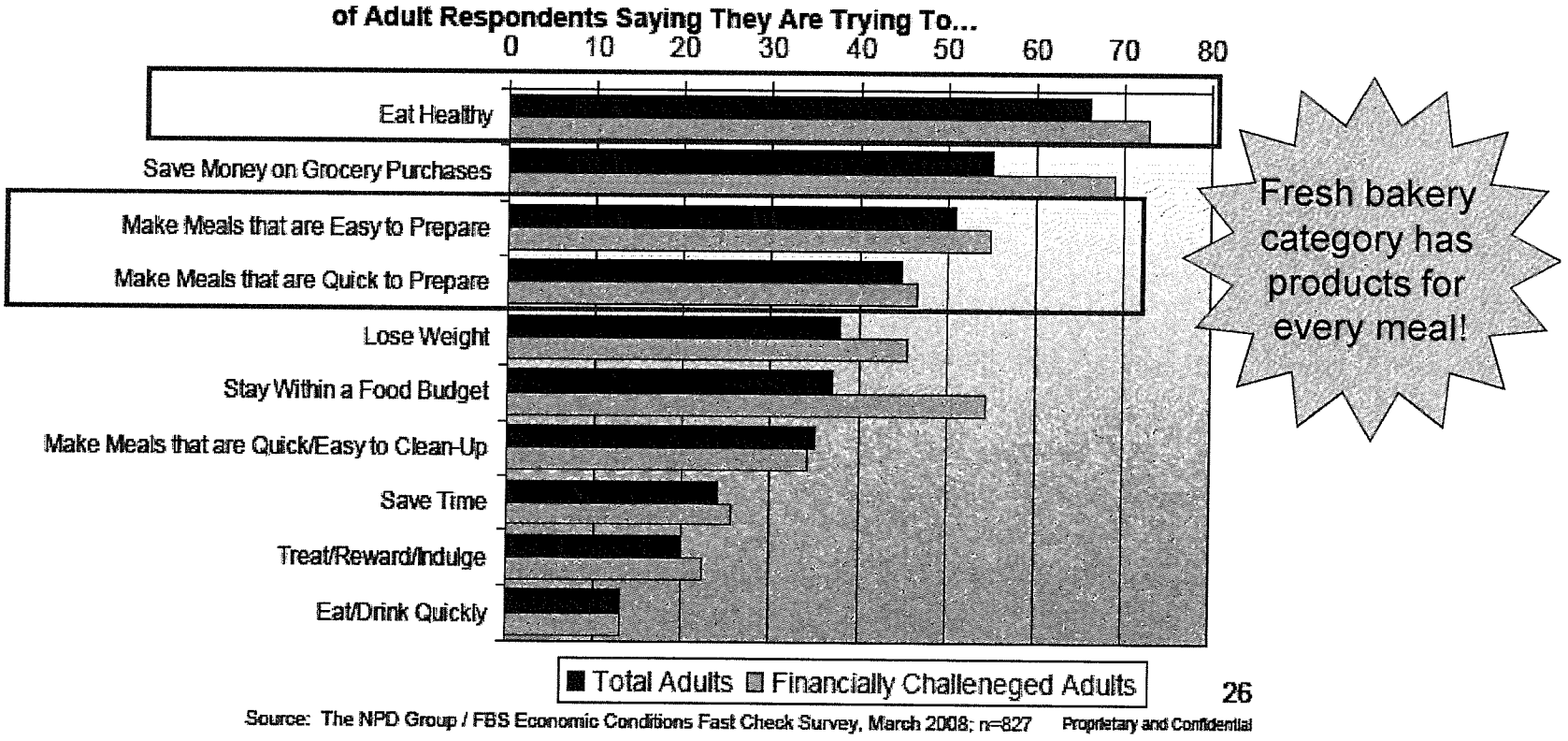
Products that moms & kids love!

Fresh

Cost-effective

Bakery products fit well with the need for healthy, quick and easy meals!

Which of the following have the greatest impact on the food and beverages your household purchases from grocery stores or other non-restaurant locations today?



26

Source: The NPD Group / FBS Economic Conditions Fast Check Survey, March 2008; n=827

Proprietary and Confidential

In-home meal occasions are growing; most of the growth is occurring at the breakfast and lunch day parts, but is seen at all main meal occasions

12

Fresh Bakery Category Communication Priorities

- **Opportunity to create a meaningful communication platform that incorporates a holistic approach to 'Living Well & Enjoying Life'**
  - Category and segment level
  - Communication priorities vary by segment, but can all ladder up to the an over-arching communication theme

Priority	Traditional White	Traditional Wheat	Premium	Breakfast	Buns/Rolls
1	Nutrition – Folic Acid	Nutrition - Whole Grains	Nutrition - Whole Grains	Flavor	Occasion
2	Nutrition - Whole Grains	Nutrition – Fiber	Nutrition – Fiber	#1 important meal	Nutrition - Whole Grains

Key Category Characteristics: Fresh, Variety, Nutrition, Flexibility, Price

Key Category Opportunities: Quick, Healthy Meals

Communication Insights	Implications
• **Living Well & Enjoying Life is top of mind with consumers today** –Holistic approach to wellness –Consumers want it all…foods that are fresh, tasty and nutritious	• **Develop a communication platform with a holistic approach to health & wellness** –Platform highlights key bakery characteristics –Nutrition is a component of the overall 'Living Well & Enjoying Life' with bakery theme oMake bakery a part of your healthy and enjoyable life
• **Bakery category characteristics fit well with overall 'Living Well & Enjoying Life' concept** –Offer nutrition, variety, cost, fresh, etc. –Can be center of meal time enjoyment	
• **Consumers seek nutrition information, but are confused about daily nutritional requirements and where to find them on the nutritional label** –Don't know what to look for on the label!	• **Make it simple and fun to use read the nutrition label on bakery products** –Show & Tell – communicate daily nutritional requirements and help them find the values on the label oWhole grains, fiber, folic acid
• **Whole grains and fiber are the most important nutrition values**	
• **Low awareness of folic acid needs amongst pre-pregnancy and child-bearing women** –White bread with enriched flour is a good source for folic acid	• **Communicate that white bread is a good source of folic acid for moms-to-be**
• **Decision criteria varies by bakery segment**	• **Incorporate communication priorities into segment messaging**

Ideas to bring the communication concept to life…beyond the shelf

- **Integrate concept across multiple touchpoints**
  - Kroger TV spots
  - Show & Tell - nutrition requirements and navigating the label
    - Take one's/reminder cards
    - Direct mail
    - Feature ad